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http://www.montgomerycountymd.gov/permittingservices/



## POLICY ON BOND ACCEPTANCE AND REFUNDS

## Purpose/Background

Bonds are required by the DPS in accordance with applicable Montgomery County codes. Applicants to DPS have bonds posted in various ways (such as a contractor posting the bond). This policy sets forth the DPS position for refund of bonds.

## **Definitions**

*Permittee*: The applicant of record to DPS for permit or permit holder.

*Bond*: Surety posted to ensure performance of work.

## Policy/Procedure

A Bond is required for the following permit types:

Demolition, Sediment Control, Public Right-of-Way (which includes - Grading, Storm Drainage, Paving, Driveway and certain Special Use situations) permits.

These bonds are to ensure completion of the work as specified in the Montgomery County Codes.

Bonds must be posted by or on behalf of the permittee who is the applicant of record for the permit in accordance with each of the Montgomery County Code Chapters (8, 19 and 49) for the respective permit types. Bonds can be posted by means of cash (check), Performance, Letter of Credit or in certain cases only, Certificate of Guarantee. Bonds are considered as posted by the permittee even if posted by a third party on behalf of the permittee. Checks posted for bonds (irregardless of whom the check is from), will be considered as being posted by or on behalf of the permittee. Checks posted for bonds will not be refunded until they have cleared the bank (approximately 4 weeks).

Upon permit completion, the bond will be returned/refunded to the **permittee of record** even if it had been posted by a third party.

Effective February 1, 2012, DPS will not refund a bond to anyone other than the permittee of record.